

## State of Utah

## Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA
Division Director

JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

August 28, 2006

Certified Return Receipt 7004 2510 0004 1824 3472

Mike Glasson, Environmental Coordinator Andalex Resources, Inc. P.O. Box 902 Price, Utah 84501

Subject: Replacement of Bond Required, Andalex Resources, Inc. Wildcat Loadout

Facility, C/007/0033, Outgoing File

Dear Mr. Glasson:

The Division received a notice from the PNC Bank that Letter of Credit #00262710-00-00 will expire on December 1, 2006. This letter of credit is the bond (financial assurance) posted for the Wildcat Loadout Facility in the amount of \$651,000.

This letter is to advise you that adequate bond coverage is required to be in effect at all times (R645-301-812.700). *This letter of credit must be replaced by no later than November 1, 2006.* If the letter of credit is not replaced by that date, the letter of credit will be forfeited and collected by the Division (R645-301-860.222).

If you have any questions, please call me at (801) 538-5268.

Sincerely,

Pamela Grubaugh-Littig

Permit Supervisor

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